

**Chehalis River Basin Flood Authority
Business Meeting
Aberdeen City Hall
200 E. Market St. – Aberdeen**

**December 15, 2011
Meeting Notes**

Board Members Present: Jim Cook, City of Aberdeen; J Vander Stoep, Town of Pe Ell; Mark Swartout, Town of Bucoda; Karen Valenzuela, Thurston County; Vickie Raines, City of Montesano; Edna Fund, City of Centralia; Julie Balmelli-Powe, City of Chehalis; Ron Averill, Lewis County; Dan Thompson, City of Oakville; Terry Wills, Grays Harbor County

Consultants/Facilitator Present: Greg Hueckel, SBGH Partners; Lara Fowler, GTH

Others Present: Please see sign in sheet

Handouts/Materials Used:

- Agenda
- Meeting Notes from Special Meeting and Business Meeting on November 17, 2011
- Letter from Chair Raines to Chairman Burnett

1. Call to Order

Chairman Raines called the meeting to order at 1:45 p.m.

2. Introductions

Self-introductions were made by all attending.

3. Approval of the Agenda

Commissioner Averill made a motion to approve the agenda. Mr. Thompson seconded. The motion passed by consensus.

4. Approval of the Meeting Notes from November 17, 2011

Commissioner Averill made a motion to approve the meeting notes from November 17, 2011. Mr. Cook seconded. The motion passed by consensus.

5. Public Comment

Aberdeen City Councilor Kathi Hoder stated she had taken pictures of the Wishkah Rd. area that floods regularly. She would like to see this addressed to help the people in that area. She hoped the Flood Authority could get help and funding. Commissioner Willis brought it to the attention of the Flood Authority and she thought it would be a good collaborative effort.

6. Reports

a. Chair's Report

Chairman Raines distributed a copy of the letter from her to Chairman Burnett. Chairman Raines had the opportunity to meet with Chairman Burnett, Keith Phillips and Rep. Dunshee about how to consult with the Tribe and stated it was a very productive meeting. They also talked about what can be done regarding flooding on the Chehalis River and Chairman Raines has a clear understanding of their

viewpoint. Emails and phone numbers have been exchanged to make communication easier between all the parties.

Ms. Fowler explained that the Flood Authority had sent a formal letter requesting government-to-government consultation. Responses went back and forth that included a list of projects that were on-going. The Flood Authority received back a letter from Mr. White with some information about follow up and information that the Tribe thought they had provided and their offer to have the Flood Authority contact them. After the October tour, Rep. Dunshee suggested sitting down in lieu of exchanging paper. There was a good discussion; the frustrations were shared and the air was cleared. The goal is to figure out how to formally communicate with the Chair and on the staff level work through it. There will be a follow-up with Mr. White.

A question came up regarding hydraulic modeling and survey work. Surveyors were out in the field and trying to get permission to get on Tribal land. That permission did not come by the time the surveyors needed to do their work. The timing was such when they did get out on the river the work impacted the tribal fishing season. That was one of the points of frustration that were worked through. The surveyors and Mr. Karpack now have a Tribal business license which was a concern. There are still protocol and process issues, as well as collaboration and moving forward. Mr. Karpack is in touch directly with Mr. White and Mr. Connelly on the hydraulic modeling and what the Tribe has. The shared ultimate goal is how to create the best product for the entire basin. The Tribe has also asked for a briefing of their Tribal business council in January by Anchor regarding the fisheries impact study.

b. Correspondence

Chairman Raines stated there were several pieces of correspondence that had been received and sent on. The ILA will be discussed later in the agenda.

c. Member Reports

Mr. Cook stated the amendment to the Interlocal Agreement is on the Aberdeen Council's agenda for its next meeting.

Mr. Vander Stoep stated Pe Ell Town Council will be discussing the ILA at their next meeting on Tuesday and expect it to pass.

Commissioner Valenzuela stated the Thurston County Commissioners have not finished discussing the ILA. She will report back in January.

Ms. Fund stated that the City of Centralia passed the ILA resolution on Tuesday. Local station 3 has been showing the Emergency Warning System. Attendance was low the night of that public meeting but the information is getting out.

Chairman Raines stated the ILA was passed in the City of Montesano this week.

Mr. Swartout reported that the Town of Bucoda is in the process of discussing the ILA. No action has been taken yet.

Commissioner Averill also stated that Channel 3 had taped the flood preparedness meetings and it has probably gotten more exposure that way. Regarding the ILA, he stated the Lewis County Commissioners

passed the amendment on Monday. It was also decided at that meeting to do some additional LiDAR coverage in the upper basin. DOT has joined Lewis County in that project and there will now be 187 square miles covered.

Commissioner Averill spoke to the Early Warning System. The data on the system made it look like the situation was worse than it was during the last event. The Emergency Operations Center was opened for about six hours because of that data. It did give us the opportunity to work with the system and learn about it and there will be discussions about the data that is driving the model which appears to be a little out of whack.

Commissioner Averill continued to say that Lewis County and cities in the Chehalis River Basin have been dealing with FEMA maps for two years and they are pretty drastic. We were not the only ones having problems with the FEMA methodology, however. About nine months ago a bill was passed by Congress telling FEMA that they have to go back and look at their methodology. As a result of that, things are on hold now for another year. FEMA chose to not recognize levees unless they were at the 100-year protection level. There are 5 to 8 miles of levee around Centralia and Chehalis and the airport that are not currently rated at the 100-year level and FEMA acts like they aren't there. That levee does provide a function. FEMA has been asked to go back and re-consider what the existing dikes do contribute even though they are not certified.

Lastly, Commissioner Averill stated it looks like the Mellen St. project will begin in the spring or early summer. This project is very important to Lewis County because it will provide some additional protection where the Skookumchuck River comes in to the Chehalis River and will provide access to the hospital which has been isolated during previous floods for up to seven days.

Ms. Powe reported that the City of Chehalis passed the ILA amendment for Napavine and Cosmopolis. She also stated that Chehalis is closer to administering the money to raise homes. Regarding the Early Warning System, she suggested getting the schools and students involved; many times the students are more knowledgeable about computers than their parents.

Mr. Thompson reported that the City of Oakville passed the ILA amendment.

Commissioner Willis stated Grays Harbor County Commissioners will consider the ILA next Monday. She reported that there was good attendance at the flood awareness meeting last month in Montesano. There was a little trouble with the Early Warning System during the flood (which was not a major event) and it was a good opportunity to give it dry run. She did say she discovered that when she slowly typed in the necessary words that the program worked better than when she typed at a normal speed.

d. State Team Report

Mr. Donahue stated that the state agencies, Ms. Fowler, Mr. Hueckel and Mr. Kramer met to talk about the state agencies' roles regarding the report for OFM. Mr. Phillips gave an orientation for his staff regarding Chehalis and its history. There are a number of new people at the agencies and they are looking at Anchor's report and they know it is a priority. There were a number of state agency staff at the December 12 Anchor presentation. He was impressed by the level of effort already under way by the state agencies regarding that report and it is their intention to be ready by the January 3 due date.

7. Updates on Sub-Committees

a. Education and Outreach

Ms. Fund stated the Early Warning System is accessible through the Flood Authority web page. She mentioned an article she saw recently on Commissioner Willis' farm and what she is doing for flood mitigation. She asked for a copy and if Commissioner Willis would be willing to speak to that article.

Commissioner Willis explained that the farm bureau wrote the article about raising wheat. She stated Grays Harbor County is not considered a wheat county but that crop, introduced by her farm and others, has been successful for three years now. She talked about her farm in the flood plain and how she deals with flooding and the raising of winter wheat.

Commissioner Willis explained that they have a rotation going that helps mitigate for flooding. She farms ground that belongs to a neighbor and it has also been rehabbed both for flooding and for wildlife habitat. There is still flooding; a field she owns was 17+ acres and is now down to 7 acres because the river has taken it away.

Ms. Fund stated she has talked with the Centralia Timberland librarian and they have discussed the idea of having the library becoming a local source for flooding information as well as possible training for some of the librarians on accessing information regarding flooding. She and Ms. Fowler also talked about having meetings in the communities to give updates about what is being accomplished. They also talked about a legislative white paper with bullet points so everyone on the Flood Authority board is on the same page and have answers if they get calls from the public.

Ms. Fowler stated the Flood Authority is summarizing what has happened in the last few months so the Flood Authority board members know what to give to their councils and public, knowing that the legislature is about to go into session. There is attention being paid as to what is going on in the Basin. Ms. Fowler is working with Jim Kramer on his report, reporting to Representatives DeBolt and Alexander and the legislative staff to determine if things are getting accomplished. The legislature is looking at job creation and what is on the project list, and how many jobs are associated with the projects. She expects to brief the House Congressional Budget Committee earlier rather than later in the session. The legislative community is watching and gearing up.

The work is continuing on the FAQs and on improving the website. The existing site is being rearranged and the Early Warning System access information is right on the top. The meeting information is clearer; Ms. Fowler is looking to finish up the website next week.

Ms. Fund stated there would be more information on the FAQ process at the next meeting.

Ms. Powe had other questions of Commissioner Willis regarding her flooding issues. She asked if Commissioner Willis was able to stop the erosion on the 17 acres. Commissioner Willis stated not in that area. She has been working for 17 years on that. The erosion was nature stopping itself. Now she has gained ground on the other side of the river. The river did get back up to the corner of the house during one flood and she was able to get permits through WDFW to put the river back into an old channel that had grown up in log jams and gravel. She cleared the old channel and the water naturally flowed there and moved away from her house. She has experienced the loss of good soil - much of that has washed away. The work on the river was done with permits and took only three days. Original estimates to improve the situation ran from \$250,000 to \$1 million. It ended up costing about \$10,000 and the three days of work.

b. Project Sub-Committee

Mr. Hueckel stated there are 270 projects on the project list. He is working to develop packages for those projects where they can be put on the ground, funded and completed. While that is the goal, the committee is not near it yet. At the last meeting the committee went over the list and found projects that were repetitive, already completed or not necessary. Those projects were put on a side list and they will go to the Flood Authority for final approval. Any action by the sub-committee has to go before the main body for concurrence.

The committee talked about separating the projects into different types based on function. Commissioner Averill supplied a list of 10 categories and the projects were divided into those categories. He sent out a matrix and the sub-committee will go through the projects to consider which projects the Flood Authority would stand behind. In January the committee will have a list of projects that are divided into functional categories that are a workable size.

Once the projects are down to those that need more information, the committee will scope the projects for cost, effectiveness and for various funding sources, as well as for providing flood relief. How best to group the projects so that they are attractive to funding sources? That is several months away but the committee is trying to downsize the list and projects that the Flood Authority will stand behind as to what will be workable.

Commissioner Averill stated he has not been able to work on the next iteration of that list because of his involvement with the annual budget cycle. He stated there are many projects that are duplicates so there will be fewer projects to consider by taking those out. Another aspect is to group them functionally to look at potential funding sources. For example, projects that are identified by the conservation people for culverts, which are funded by surfboard funds and county public works funds, do not need to be competitive with other projects. Those are the things that need to be looked at.

Mr. Swartout asked if the projects would be identified for multiple benefits.

Mr. Hueckel asked if Mr. Swartout meant multiple benefits to flood relief and resource benefit, then yes that would be something that should be looked at.

Mr. Hueckel stated there is a great legislative push to fund things that create jobs so we should move this list along to have it somewhat ready so Ms. Fowler can provide samples to be funded out of the capital budget.

Commissioner Willis asked if these projects need to be shovel-ready.

Mr. Hueckel stated all of these projects, from retention facilities to fixing culverts, require some kind of regulatory action by the agencies, so shovel ready may not mean you have the funds to pay them; it may mean you are still in the process and you have a project ready to go.

Mr. Swartout asked if the design work also qualifies or only construction. Mr. Hueckel stated that is a question for the legislature. Design and monitoring could be used for discussion purposes with the budget committee. It depends on how far away you are from being there – 5 years away, probably not – or if they want jobs created in the next biennium.

Ms. Fowler stated if anyone has questions for the legislators to let her know. She stated it would be helpful to talk about where things stand because there is interest in the legislature.

8. Update on Interlocal Agreement

Ms. Fowler stated Mr. Carter and Mr. Johnson had put together a draft resolution and it has been adopted by several jurisdictions. Action is scheduled for January for potential adoption.

Mr. Lionel Pinn stated he is impressed with the [Flood Authority] board. He would like to have a voice for Napavine and he also represents the school districts and those boards should have a voice because of the impacts on school districts. He also believes in the work that is being done with the Board and with the Tribes and the collaborative outreach programs going on with the Tribes. That is a sensible thing to do and it seems to be working.

Chairman Raines stated the City of Napavine already signed the interlocal agreement. Mr. Pinn stated there would be a letter coming from the Mayor of Napavine thanking the Flood Authority for its consideration.

Ms. Fund asked about the status of the jurisdictions who had not voted yet. Mr. Cook expected Aberdeen to pass the ILA; Commissioner Willis did not foresee any issues. Commissioner Valenzuela said it would be discussed sometime in January. Bucoda is still discussing it and no decision has been made yet. They meet on the 2nd and 4th Tuesday of each month.

Ms. Powe stated when this type of situation came up a couple of years ago it kept stalling. She asked if there was a way to get it done instead of it dragging out. Ms. Fowler stated the jurisdictions need to meet and discuss it and right now there could be delays because of holidays and budget issues. She recommended seeing if it can be sorted out at the next meeting.

Chairman Raines asked if there is a requirement for all jurisdictions to sign the ILA. Mr. Carter stated the Interlocal agreement states that all modifications or amendments are to be approved by all members and all amendments must be agreed upon by all the jurisdictions and each council or jurisdiction needs to authorize the vote. The individuals who sit on the Flood Authority cannot bind their councils. Chairman Raines stated the vote at the last meeting was for the Flood Authority Board to take it back to their councils or commissions for consideration. Mr. Carter stated that was correct.

Chairman Willis stated if one of the councils voted against it and did not sign the amendment, does that keep them out of the Flood Authority or does it revert back to the old one already in place. Mr. Carter stated he had not considered that. He supposed that a variety of potential results but he did not want to speculate. Commissioner Willis stated when she talks with her council they will ask her and she would like to have an answer. She asked if we are rewriting the original ILA or are we asking for two new members. Mr. Carter stated it is identical to the ILA amendment for Oakville; this would be the 2nd addendum to ILA. Mr. Carter stated that the addendum only changes the membership; it doesn't change the terms or agreement with the Interlocal Agreement. The first one brought in Oakville, this one brings in the other two. If it is rejected, there will not be an interlocal of all of these parties to the first interlocal. What those ramifications are, he has not considered.

Mr. Vander Stoep stated Pe Ell wants to add Napavine and Cosmopolis and that is what this board voted for. He would not want to see the administrative inaction by people not here keep those two cities out. He suggested putting a time limit on when the ILA should be signed by the jurisdictions. If administrative action is frustrating those two cities and this board's vote, then direct that a new ILA is created, same terms, and anyone who wants to participate can sign or they can choose not to sign, but inaction will not prevent carrying out what the board voted for.

Commissioner Willis stated that was her question: Does the action we are taking now annihilate the original ILA. When we agree to the ILA, this is an action to be considered; if we oppose signing a new ILA does the old one stay in place?

Mr. Carter stated you have an ILA that was modified by everyone so if this ILA amendment fails because jurisdictions do not vote in favor of it, then just that amendment fails. The original ILA continues to subsist with the original amendment.

Mr. Vander Stoep stated people who want to go forward and want to add Napavine and Cosmopolis are free to enter into an ILA at any point. The question is who wants to go forward as the Flood Authority voted on it. By January 30 or next meeting, if participants have not voted to add these cities, then create a new ILA to include them and ask the Tribes or any entity to go forward with the same terms. He did not propose to re-write the agreement.

Ms. Powe stated the question is do we add Napavine and Cosmopolis – what is the problem for not adding them. Mr. Cook stated there other people or fellow commissioners who may not want to commit to something now that will change later. Ms. Powe asked if there is information that could be provided now that may be helpful for the jurisdictions to make their decision.

Chairman Raines stated it was awkward being talked about like she wasn't in the room. She stated she did not object to stepping outside if there was a need for discussion. Mr. Cook stated the ILA was consensus driven originally; that this organization was built on trust with the expectation that it would work in cooperation with each other. It's not always possible to reach consensus. There was a portion of the ILA that said should that circumstance arrive then a super majority would prevail. He asked if this would play into this circumstance.

Mr. Carter began to explain and Commissioner Valenzuela asked that the conversation be kept to the Flood Authority membership. She stated Mr. Carter is not the attorney for the Flood Authority and she was not comfortable with him responding. She stated Mr. Cook had a valid point, but he missed the last meeting and the Executive Committee did not report on its last meeting. The attempt to come to consensus at the last meeting was brought to a close by a motion to move the previous motion, which cut off discussion. That motion passed, which required that we go to a vote as to whether to add two new members to the FA. We did not come to consensus; people voted different ways. The outcome of that vote was that each member would check with their respective jurisdictions. The current ILA says to change the ILA requires the signature of every member.

Chairman Raines understood Mr. Cook's question to be in regard to the consensus question. Commissioner Valenzuela stated we are not doing a good job of going by the rules of procedure which do say we try to make decisions by consensus. Chairman Raines stated she has never sat on board that required consensus and she would like to hear Mr. Carter's answer to Mr. Cook's question.

Mr. Carter stated the 60% rule does not actually apply to the amendment process. An ILA is a legal arrangement to which each party votes to be part of it and you cannot be compelled by someone else's vote to be part to amend an agreement or an amendment to that agreement.

Chairman Raines asked that all jurisdictions respond to Ms. Fowler by January 11. Meeting information goes out on the 12th and if all the ILAs are not signed, then she would request that a new ILA be drawn up as Mr. Vander Stoep suggested and provided in the packets.

9. Potential Action

a. WEST consultant contract

Ms. Fowler stated WEST is installing gages and doing some troubleshooting. They are within budget but they are looking for some flexibility in some categories to manage their budget. She did not want them to submit a bill to the fiscal agent to be told they were out of budget.

Commissioner Averill stated usually contracts are written to allow money to be moved around in sections of the contract but there was a question if there is flexibility in this budget. He asked Mr. Johnson if there was flexibility in this contract to move funds around. Mr. Johnson believed there was some flexibility. Commissioner Averill asked if there would need to be a supplemental contract. Mr. Johnson believed that could be done because the contract allows for amendments by mutual consent of both parties. The Flood Authority would need to approve it.

Discussion followed and there was concern about showing that the tasks that were assigned were being performed. Mr. Johnson stated OFM did not review the contract and as long as the proviso is met – the fish study and the enhancement study – OFM does not care to micromanage. Lewis County has a contract for the major tasks, which Mr. Johnson named.

Commissioner Valenzuela stated the Flood Authority needs to do its due diligence with regard to oversight of the money. She is not comfortable with the administrative entity being the arbiter of the use of the money. She thinks there should be some Executive Committee review. The administrative entity is saying it's too cumbersome for Flood Authority review because we only meet once a month.

Chairman Raines asked if there was an issue with having changes and modifications made to the contract by agreeing with the contractors that the Executive Committee could review and make a recommendation to move forward.

Chairman Averill made a motion that the Executive Committee is given the authority to review the changes in the contract, provide approval and report back to the Flood Authority. Mr. Vander Stoep seconded. There was no discussion. Mr. Thompson voted against stating that there is already a system and staff to do that. Any changes already come before the board – staff already writes reports, and he had one regarding Anchor in front of him. It is redundant to add another layer of discussion.

Chairman Raines stated it was Ms. Fowler's request that the modification remains within the budget. Commissioner Willis stated there was a vote against so there is no consensus. Mr. Thompson restated his objection but changed his vote so there would be a consensus.

Ms. Fowler stated staff would work with Lewis County as the fiscal agent to look at the contract and bring it back to the Executive Committee for approval at the next meeting.

b. Anchor QEA Fisheries Impact Contract

Ms. Fowler stated the Anchor contract runs through next year. The contract between OFM and the Flood Authority has two parts: one will be completed in 2011 and one will be completed in 2012. The contract with Anchor was extended to 2012 to meet the legislative requirements and allows Anchor to deal with comments and feedback from state agencies, etc. The two parts are the contract and the financial element. The financial element has cost them more than they were anticipating it would cost on the impact study, as well as the comment period. They are going to be over contract by about \$60,000 and Ms. Fowler doesn't think they are looking for all of that; they are under a contract to finish that and they said they would. The Flood Authority is asking them to work longer into the next year than what was expected and there is a cost to that. The staff recommendation is to do a time extension with no additional budget extension and come back after studying the numbers, but you have them under contract into the new year and you have time to deal with the budget question.

Chairman Raines asked what the recommendation would be on the contract extension.

Commissioner Averill stated it should be to July, 2012. It was intended to have the enhancement study go through July 2012; that is how the contract was written. He would support extending it to that period. For all intents and purposes, they have just started the enhancement piece. There was no intention to finish that by December.

Commissioner Averill made a motion to extend the contract to July 1, 2012. Ms. Fund seconded. Commissioner Willis asked if they are asking for more money. Chairman Raines stated they will get a time extension only. Mr. Johnson stated the enhancement money is not broken out. The contract was initially for \$900,000 with the impact study to be done by December 31 and the enhancement work going until June 30, 2012. The motion passed by consensus.

10. Nominations for January 2012 Elections

Chairman Raines requested postponing the elections until January because of the possibility of new jurisdictions being included on the Board. Ms. Fund made that motion; Ms. Powe seconded. The motion passed by consensus.

11. Expenditure Review

Mr. Johnson stated there are 8 tasks and money has been extended on six of them. He stated if we continue to use the money at the rate we have been there will be no money left for the technical review and the money will run out for staff and consultants. Task 8 is not using the money at the rate anticipated and there may be some opportunities to shift the money around. The money will become an issue in April or May when funding for GTH or SBGH will run out. Commissioner Willis asked how this could happen, if it was because the money was not distributed evenly. Mr. Johnson explained that SBGH and GTH have been tasked with more things than they originally planned. They did not anticipate the kind of participation for meetings, etc.

Commissioner Averill asked that this issue be put on the agenda for the January meeting.

Discussion included the “padding” in the previous budget that allowed ESA to increase its budget to a degree when needed. That extra money is not available now and the money is specifically spelled out by OFM. There may be some left over money from the hydrology modeling or possibly from the Twin Cities project. Ms. Powe stated the November public meetings had not been budgeted for but that kind of money won’t need to be spent in the future.

Chairman Raines stated an executive committee meeting would be scheduled after the first of the year at which time the contracts for West and Anchor will be discussed, as well as providing a more detailed budget report.

12. Confirm January 19 meeting

The next meeting will be in Chehalis; the business meeting in the Courthouse and the morning meeting at the WSU Extension Conference Room, also in the courthouse in the lower level.

13. Adjourn

The meeting adjourned at 3:35 p.m.